GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:4113
ANSWERED ON:14.12.2000
KELKAR COMMITTEE RECOMMENDATION
RAMDAS ATHAWALE

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government have Mooted the Acceptance of the Kelkar Committee recommendations for capital infusion of Rs.920/- crores into the Indian Airlines;

(b) if so, the time by which the Government are likely to implement these proposals;

(c) the details of recommendations of the Kelkar Committee so far considered and accepted; and

(d) the number out of them are under the process of implementation?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV)

(a), (b), (c) and (d): The Kelkar Committee had, inter alia, recommended financial restructuring of Indian Airlines which include capital injection of Rs.922 crores in the form of compensation, subordinated loan, equity and contribution by Indian Airlines and its employees. Of this, Rs.475 crores was to be provided by the Government.

The above recommendations were examined in detailed by the Government and it was decided to release Rs.325 crores to Indian Airlines as equity in the form of margin money for acquisition of new aircrafts. However, in view of the ongoing disinvestment of Indian Airlines, Ministry of Finance has opined that Indian Airlines should go for other options, such as lease of aircraft etc. This advice is presently under review.